

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2223 - HB 2508

March 5, 2020

SUMMARY OF BILL: Requires funds distributed to emergency communications districts (ECDs) collected from the 911 surcharge to be distributed proportionally based upon the population each ECD serves, minus a \$0.02 per surcharge allocation to the Tennessee Relay Services/Telecommunications Device Access Program (TRS/TDAP).

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – A shift of current funding will occur between Emergency Communications Districts statewide; however the total overall funding available in any given fiscal year remains unaltered.

Assumptions:

- Pursuant to Tenn. Code Ann. § 7-86-128, and § 7-86-303:
 - The 911 surcharge is set at a level that is sufficient to fully fund the mandatory disbursements to ECDs, the operational expenses of the state emergency communications board (ECB), and the operational expenses of the TRS/TDAP; and
 - The ECB is required to distribute a base amount of funding to each ECD, and such base amount cannot be reduced but for certain circumstances.
- The proposed language requires allocations made from collection of the 911 surcharge to be distributed to each ECD based on the population which the ECD serves, minus \$0.02 per surcharge for allocations to TRS/TDAP.
- Based on information provided by the Department of Commerce and Insurance (DCI), funding collected from a \$0.02 per surcharge may not be sufficient to fully fund the operational expenses of the TRS/TDAP in any given fiscal year and additional funds from the 911 surcharge may be needed.
- Allocating \$0.02 per surcharge to the TRS/TDAP is not estimated to result in a change in total funding currently provided to the TRS/TDAP; therefore the current levels of funding available from the 911 surcharge for ECDs is estimated to remain constant.
- The proposed language will result in a shift of funds available to individual ECDs with some ECDs experiencing an increase in funding while others experience an equal, corresponding decrease in funding; however the total amount of funding available in any given fiscal year will remain unaltered.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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